REMARKS/ARGUMENT

Claims 1, 2 and 5-18, 20, 21 and 23-28 are currently pending.

The Office Action rejected (1) claims 1, 2, 15, 23, 24, 27 and 28 under 35 U.S.C. § 103 as obvious over U.S. patent 4,107,019 ("Takao") in view of U.S. patent 6,521,098 ("Lin") and U.S. patent 6,193,856 ("Kida"); (2) claims 1, 2, 15, 23 and 24 under 35 U.S.C. § 103 as obvious over U.S. patent 4,107,019 ("Takao") in view of U.S. patent 6,521,098 ("Lin"); (3) claims 5, 6, 25 and 26 under 35 U.S.C. § 103 as obvious over Takao, Lin, and U.S. patent 5,981,092 ("Arai"); (4) claims 7-14 under 35 U.S.C. § 103 as obvious over Takao, Lin, Arai, and U.S. patent 5,522,976 ("Campet"); (5) claims 16-18 under 35 U.S.C. § 103 as obvious over Takao, Lin, and U.S. patent 5,831,760 ("Hashimoto"); (6) claim 20 under 35 U.S.C. § 103 as obvious over Takao, Lin, and IBM technical disclosure; and (7) claim 21 under 35 U.S.C. § 103 as obvious over Takao, Lin, and U.S. patent 5,905,590 ("Van Der Sluis"). In view of the following comments, Applicants respectfully request reconsideration and withdrawal of these rejections.

Rejection (1) appears to be a new rejection.

Rejections (2)-(7) appear to be reiteration of old rejections.

With respect to prior rejections (2)-(7), <u>Takao</u> does not teach or suggest a target that is spray-coated. The Office Action agreed. (Office Action at 18). Further, the Office Action did not assert that <u>Lin</u> teaches spray-coating. In fact, <u>Lin</u> does not disclose spray-coating. Thus, the primary references in the prior rejections do not teach or suggest each claimed

element. The Office cannot ignore that the combination of references in rejections (2)-(7) would not lead one of ordinary skill in the art to practice each element of the claimed invention. Accordingly, Applicants respectfully submit that prior rejections (2)-(7) are improper, and should be reconsidered and withdrawn.

With respect to rejection (1), <u>Kida</u> does not compensate for <u>Takao</u>'s and <u>Lin</u>'s deficiencies. <u>Kida</u>'s col. 3 does not teach or suggest a ceramic layer containing Ni. Further, <u>Kida</u>'s col. 5 relates to an underlayer, not <u>Kida</u>'s "ceramic layer." Thus, <u>Kida</u>'s col. 5 does not disclose a NiO "ceramic layer," let alone the presently claimed ceramic target having the required NiO.

For at least these reasons, Applicants respectfully submit that the pending rejections are improper and that all of the rejections should be reconsidered and withdrawn.

Further, and as previously discussed, several other differences exist. <u>Takao</u> does not teach a target that is comprised predominantly of nickel oxide or a magnetically enhanced sputtering device for sputtering a nickel oxide target.

Moreover, <u>Takao</u> does not teach the required oxygen deficient NiOx of the claimed invention. <u>Takao</u>'s target is a "compacted powder mixture of Ni and NiO." Such a powder mixture differs from the required oxygen deficient NiOx of the claimed invention, for example, in that in a mixture like <u>Takao</u>'s the two materials are not chemically linked -- they are two separate chemical compounds in a solid state. In stark contrast, oxygen deficient NiOx is one chemical compound in which atoms are covalently linked. Thus, <u>Takao</u>'s powder cannot be an oxygen deficient NiOx as required by the present invention.

Further yet, <u>Takao</u>'s mixture would be expected to have different properties such as, for example, different conductivity properties as compared to the NiOx compounds of the present invention given that, in <u>Takao</u>'s mixture, NiO would be expected to dump the conductivity given that the NiO is on a microscopic scale. Only an oxygen deficient compound such as those required in the present invention would have the required conductivity.

Finally, no evidence exists to indicate that the nickel oxide in <u>Takao</u>'s powder is oxygen-deficient with respect to the stoichiometric composition NiO as required by the claims. The "compacted powder mixture" should not be considered to be an oxygen-deficient nickel oxide. Rather, based on the sparse disclosure in <u>Takao</u>, the target appears to be a simple mixture of two different powders which have not reacted with each other -- one powder is Ni and the other is NiO, a non oxygen-deficient nickel oxide. <u>Takao</u>'s nickel oxide is simply "NiO" which is not oxygen-deficient.

<u>Lin</u> cannot compensate for <u>Takao</u>'s fatal deficiencies. <u>Lin</u> does not disclose a target which has been spray coated and which has the required oxygen deficient NiOx of the present invention.

The secondary and tertiary applied references do not compensate for <u>Lin</u>'s and <u>Takao</u>'s fatal deficiencies. Nothing in any of the references would have motivated one of ordinary skill in the art to modify the disclosures in <u>Takao</u> or <u>Lin</u> to spray coat an acceptable target in a magnetically enhanced sputtering device as required by the pending claims, and/or to modify them in such a way as to spray coat a target having oxygen deficiency and/or the electrical resistivity set forth in the claims.

Application No. 10/502,052

Response to Office Action dated September 20, 2010

In view of the above, Applicants respectfully request reconsideration and withdrawal

of the pending rejections under 35 U.S.C. §103.

Applicants believe that the present application is in condition for allowance. Prompt

and favorable consideration is earnestly solicited.

Respectfully submitted,

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